



State Board of Equalization

# News Release

**Michelle Steel, Member**

**3<sup>rd</sup> District – Rolling Hills Estates**

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## **MICHELLE STEEL RELEASES 1<sup>ST</sup> QUARTER 2006 TAXABLE SALES**

*Inland Empire Shows Double Digit Sales Growth*

(Rolling Hills Estates) – Michelle Steel, Third District Member of the Board of Equalization, today released figures indicating sales in California went up in the first quarter of 2006, totaling \$128.8 billion. Sales were \$9.4 billion (7.9 percent) higher than the first quarter of 2005.

This represents the fifteenth consecutive quarter with rising sales. Taxable sales increased slightly (0.5 percent) faster than personal income during this period. (*Editor's note: See chart on 2<sup>nd</sup> page.*)

Some highlights:

The Inland Empire showed strong sales, with San Bernardino County reporting a 13.6 percent increase, and a similar increase (13.4 percent) for Riverside County. Combined the two counties sold \$1.7 billion more taxable goods than reported in the same period of 2005.

All other Counties in the Third District saw increased sales: Orange County sales rose 6.3 percent; Los Angeles 6.7 percent; San Diego 5.0 percent; and Imperial 14.1 percent.

**Retail Stores:** Sales totaled \$89.6 billion, increasing 7.0 percent over the same quarter of 2005. Retailers of nondurable goods rose 8.5 percent, while durable goods were up 5.6 percent. A small decline in new auto sales, the largest retail sector, held down growth in durable goods (see chart).

**New Car Dealers:** Sales were down 1.2 percent from the prior year, totaling \$14.3 billion and following a national pattern. New vehicle registrations in California increased 1.4 percent during the same period.

**Service Stations:** Sales grew 18.5 percent, faster than any other category, and totaled \$9.5 billion. The gain was caused by a higher average price of gasoline at \$2.344 per gallon, a 16.2 percent jump from the previous year.

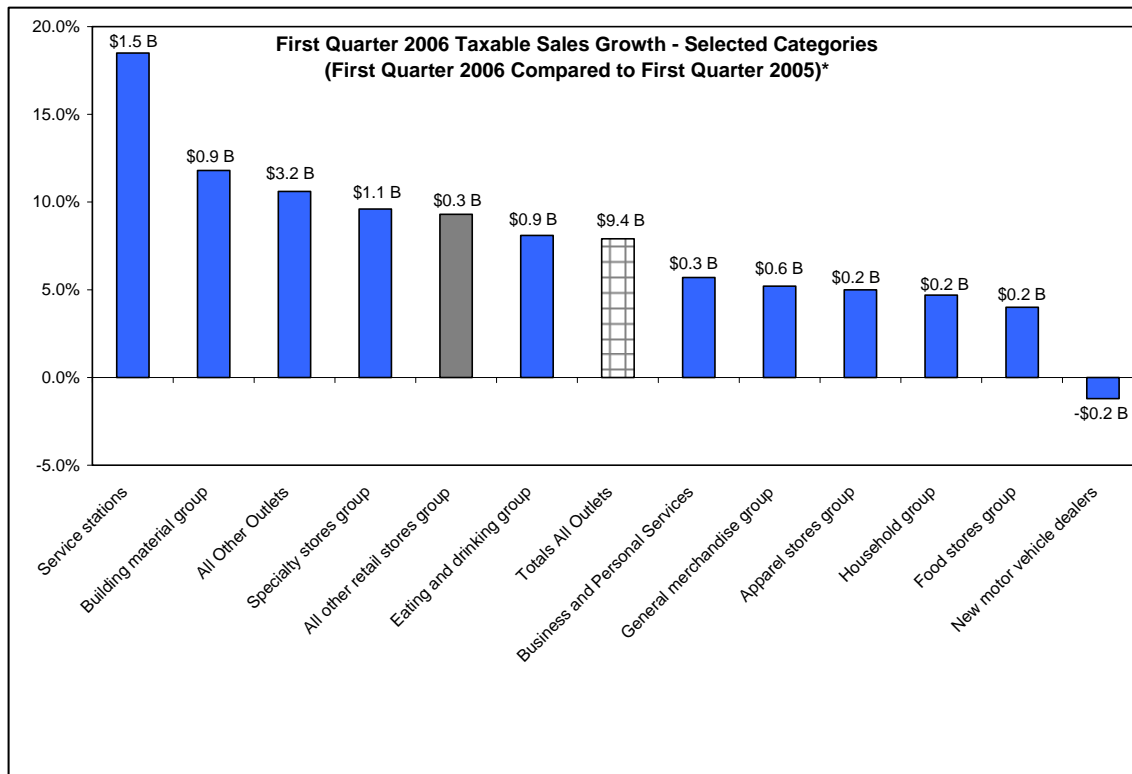
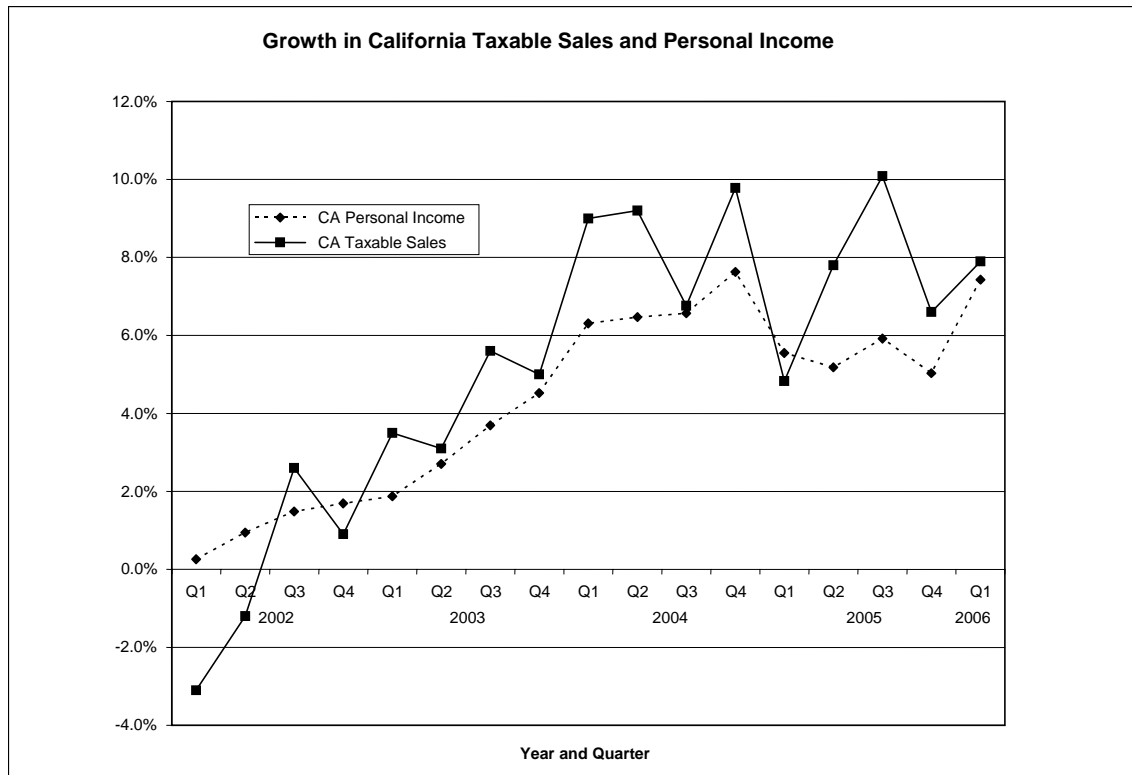
**Building Materials:** Dealers reported \$8.5 billion in sales, 11.8 percent more than the previous year. Average prices for building materials as measured by the U.S. implicit price deflator increased 7.5 percent in the first quarter of 2006.

**Construction Contractors:** Reported sales of \$5.6 billion, 17.9 percent higher than the previous year. While residential construction declined during this period, nonresidential construction increased dramatically. Construction permits were up 7 percent statewide during this quarter.

**General Merchandise Stores:** Increased 5.2 percent in the first quarter, posting a total of \$13.1 billion.

Elected to the Board of Equalization in 2006, Michelle Steel serves as the country's highest ranking Korean-American elected official. She represents the over 8.5 million taxpayers of the Third Board of Equalization District, including the counties of Los Angeles, Orange, San Diego, Riverside, Imperial and San Bernardino.

The five-member Board of Equalization is a publicly elected tax board. The Board collects nearly \$53 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and plays a significant role in the assessment and administration of property taxes.



\* This chart highlights specific categories, but is not all inclusive. Please see links above for other figures.

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View 1<sup>st</sup> Quarter 2006 Taxable Sales by [Type of Business](#), Taxable Sales by [County](#), or Taxable Sales by [City](#).